

Rio Ver
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The Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

01-25-2001 Arizona Corporation Commission
DOCKETED

JAN 26 2001

Dear Chairman Mundell

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At the present time there is before the Arizona corporation commission a rate increase for Rio Verde utilities for water and sewer. The increase seems to be staggering. So the question is why, or what caused the increase?

It appears the increase is caused by the development of Tonto Verde. Why in the world would Rio Verde have to pay for the water/sewer system in Tonto Verde? It does not seem appropriate to have one community pay for the utilities of the other. Even if it is developed by the same developer the communities are separate. Also it would seem to me that the developer would have the responsibility for the water/sewer system. If the same developer develops (2) or more different areas you certainly don't combine the utilities there, and we are separated in all ways except for utilities and the developer. The developer should not be able to shirk their financial responsibility.

Now there is another development being started by the same developer. Are we going to be required to also pay for the installation of those utilities?

I certainly don't mind paying for our own utilities, but I am certainly opposed to paying for, what I think should be developer responsibility of other developments.

In the interest of fairness I would hope you would re-evaluate the high rate increase for the water/sewer that is now under consideration by your commission for Rio Verde.

Thank you

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